

Scenarios for the \$456 Million Revenue Shortfall

Beshear Plan to Protect Our Priorities

- Enact a \$.70 Cigarette Tax increase and increase taxes on other tobacco products
- Protect SEEK, which provides 87% of K-12 funding
- Limit cuts to all other K-12 Programs to 2%
- Limit cuts to Higher Education institutions to 2%
- Protect Medicaid, Mental Health/Mental Retardation, Corrections beds, Juvenile Justice facilities, Teachers' Retirement & Student Financial Aid
- Limit State Police to 2% Cut to preserve a new class of 60 troopers
- Protect Executive Branch Ethics Commission
- Responsibly use \$178.9 million of the Budget Reserve Trust Fund
- Use \$40 million in one-time resources
- Furlough State Employees 3 Days
- 10% Salary cuts to Gov. Beshear, Lt. Gov. Mongiardo and senior staff

Cut to rest of state government: 4%

Anticipated Impact of No New Revenue

- Cut Education, including deep cuts to:
 - School staff
 - Kindergarten & Pre-school
 - Textbooks
 - Safe schools
 - Gifted and talented programs
 - Technology
 - School buses
 - Career and technical education
- Cut Higher Education, including
 - Closing of regional campuses;
 - Capping enrollment;
 - Deep cuts to student aid and scholarships;
 - Deep cuts to Capital projects
 - Deep cuts Remedial education
 - Deep cuts to available classes
- Cut Public Safety, including
 - Cutting a new class of state troopers
 - Cuts to prison beds for Criminals
 - Cuts to Juv. Justice Facilities
- Cut Medicaid, including:
 - Cuts to Health care for low-income and disabled
 - Cuts to Health care for needy children
 - Elimination of optional services, including prescription drugs
 - Cut reimbursements to health care providers
- Cut Mental Health/Mental Retardation, including:
 - Cut comp care centers – safety net for outpatient mental services and the criminal justice system
- Significant State Employee Layoffs

Larger cuts to the rest of state government